

CONNECTICUT STATE DEPARTMENT OF EDUCATION  
BUREAU OF ADULT EDUCATION AND NUTRITION PROGRAMS  
25 INDUSTRIAL PARK ROAD  
MIDDLETOWN, CONNECTICUT 06457-1543

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TO: Child and Adult Care Food Program (CACFP) Sponsors

FROM: Maureen B. Staggenborg, Acting Chief  
Bureau of Adult Education and Nutrition Programs

DATE: October 22, 2003

SUBJECT: Operational Memorandum #03C-04 and #03H-04  
**Income and Expenditure Reports**

All participating institutions in the Child and Adult Care Food Program (CACFP) must operate a nonprofit food service, principally for the benefit of enrolled participants. This requirement applies to:

- independent child care centers, emergency shelters, after-school programs, adult day centers and “at risk” snack programs;
- sponsors of day care homes; and
- sponsors of child care centers, emergency shelters, after-school programs, adult day centers and “at risk” snack programs.

To document the maintenance of a nonprofit food service operation, each institution is required to submit an annual report of income and expenditures. This report must reflect all income, expenditures and the value of ending inventories of food and supplies related to the operation and/or administration of the CACFP. The required information is included on the attached sample form which has been revised. (*The form will be posted on the CACFP website by October 31, 2003.*) This form, or another fiscal report containing the same information, must be submitted to meet the reporting requirement.

The annual report must cover the period between October 1, 2002 through September 30, 2003 or, at the approval of the Bureau of Adult Education and Nutrition Programs, another twelve-month period that reflects the fiscal structure of the organization. ***Note: This is the second year requesting this information. Therefore, item #4 on the Report “Beginning Balance” is the reported “Ending Cash Balance” Item #7A from the 10-1-01 to 9-30-02 Report. Be sure to use the report that reflects the finalized data as revised or corrected.***

Income and expenditures will again be evaluated to insure that each CACFP institution meets the standard for maintaining a nonprofit food service operation. **The standard that has been established for Connecticut is that the ending cash balance for any operation does not exceed the equivalent of three-months operating costs. If it is determined that the cash balance exceeds the standard for any program, a corrective action plan will be requested to address the investment of the excess cash balance for the improvement or expansion of the CACFP operation.**

The annual income and expenditure report must be submitted to the Bureau of Adult Education and Nutrition Programs no later than **January 30, 2004**.

**IMPORTANT NOTE:** *This memorandum with the attached revised form and instructions MUST be forwarded to the appropriate agency personnel responsible for the organization’s fiscal operation.*

If there are any questions about the submission of this information, please contact the Community Nutrition Programs unit staff member who approved your CACFP contract/application.

MBS:crt  
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Enclosures